Comments on GCC/DOC 23/2025 Review report on salary adjustment method

Introduction

- The CSC members of the GCC give the following comments on the "Review report on salary method foreseen in Article 12(1) of the Implementing Rule for Article 64 of the service Regulations" proposed in GCC/DOC 23/2025.
- 2. The document relates to the review of the Salary Adjustment Procedure introduced in 2020 (CA/19/20 and CA/D 4/20).
- 3. The review shall take account of the EPO's recruitment needs, the competitiveness of its salaries, the overall financial situation of the Organisation, in particular in view of its long-term sustainability, and any difficulties encountered in applying the procedure. The impact of the procedure, including the sustainability clause, on purchasing power shall also be examined.

On the consultation

Timeline

- 4. On 29 September 2025, Compensation and Benefits invited the staff representation to two meetings of the GCC-SSPR to discuss the review of the salary adjustment procedure:
 - a first meeting on 17 October 2025 from 9.30h to 11.30h (Annex 1)
 - a second meeting on 22 October 2025 from 9.00h to 12.30h (Annex 2).
- 5. On 17 October 2025, the staff representation attended the **first meeting** of the GCC-SSPR on the review on the salary adjustment procedure with Compensation and Benefits. The administration presented "high-level" slides on the outcome of the review. In this meeting, PD4.3 declared that the draft CA document on the topic would be discussed and that staff representation would receive the document prior to the second meeting.
- 6. After the first meeting, the staff representation sent an email to Compensation and Benefits to request that additional information is included the review report (Annex 3).
- 7. On 22 October 2025, the staff representation attended the **second meeting** of the GCC-SSPR on the review of the salary adjustment procedure with Compensation and Benefits.
- 8. The promised draft CA document was not provided in advance of the meeting and was only shared on the screen. The draft CA document contained a label "CONFIDENTIAL" as watermark across the pages making the text and figures difficult to read. An office representative was scrolling the document to different positions with only a few lines of text visible at any moment, and there was no possibility for the readers to control the position of the text, define the size of the text, etc.

- 9. The administration explained that Compensation and Benefits team had not been given clearance to share the document via email. We further requested to a member of the Social Dialogue team and Senior Advisor to the President's Office present in the meeting if he could take some time to obtain clearance to share the document with us via email, but he declined and said it was not possible.
- 10. Due to the unnecessary restrictions and difficulties imposed on the staff representation regarding meaningful consultation on the document, the representatives present were compelled to leave the meeting, with a request to reschedule at such a time when the document was cleared, under the usual confidentiality conditions.
- 11. After the meeting, the staff representation sent an email to Social Dialogue to explain the situation and requested to be provided with the document as soon as possible, such that a meeting can take place prior to the GCC deadline of 31 October 2025 (Annex 4).
- 12. On the same day, the Central Staff Committee (CSC) sent an "Note of protest concerning the meeting with PD4.3" to the President. The note stressed that replacing normal meetings involving proper preparation with rather absurd forms of meetings prevents an effective and constructive way of cooperating (Annex 5).
- 13. On 23 October, the President sent a letter of reply to the CSC (Annex 6) to inform that the draft CA document would be published in the GCC library on 31 October 2025 before the statutory deadline of one week for the GCC meeting of 17 November.
- 14. On 31 October, the administration sent to GCC members the <u>agenda of the GCC meeting of 17 November</u>.
- 15. The document GCC/DOC 23/2025 contains the draft document CA/79/25 on the review report on the salary adjustment procedure.
- 16. No meeting took place with Compensation and Benefits to discuss the tabled document.
- 17. On 13 November 2025, the staff representation provided the attached comments to the members of the GCC.

The consultation is substandard

- 18. At the time of writing the present comments, the staff representation notes that the consultation has been substandard.
- 19. First, the process carried out is contrary to all practice in International Organisations who establish parity Working Groups in which staff representation and the administration work together to harmoniously on a salary adjustment procedure fit for purpose, legally sound and accepted by both parties. This was also always the case at the EPO until 2019/2020 when PD4.3 changed the process.
- 20. Second, the consultation was even below the levels observed with other EPO units. Other units usually provide documentation required for an informed discussion to take place, including presentation slides in advance of the meeting, or at least just after the meeting. This was not the

case this year with Compensation and Benefits. It seemed as though the Compensation and Benefits team were not confident in the content of their own documentation and were thus fearful to share it with the staff representatives.

- 21. The staff representatives had to escalate the matter to Social Dialogue and to the President.
- 22. At the time of drafting the present comments, no copy of the slides of the "high level" presentation made on 16 October has been provided to the staff representation. The document GCC/DOC
 23/2025 has never been discussed with Compensation and Benefits before it has been tabled in the GCC.
- 23. This situation confirms the lack of transparency on the method and the lack of willingness for an unbiased technical discussion on the subject-matter.

On the merits

The summary is wrong, incomplete and biased

24. First, the summary omits to recall that the sustainability clause was introduced to cut the overall salary growth starting from a long-term actuarial expectation of inflation +0.5%¹

Valuation parameters for employee benefits

- Employee benefits (i.e. Pensions): Modelled based on an actuarial projection and pensions
 are adjusted by salary inflation (i.e. 0.5% above inflation). For IFRS balance sheet pensions
 are discounted with AA-corporate discount rate
- 25. to the Eurozone inflation +0.2%².

This is why the Office propose to adopt a new method for the coming six years, with a main difference compared to the current method which is to define a global cap (Eurozone inflation +0.2%) which will ensure a better control on the evolution of the salary mass and related expenses (emphasis added)

- 26. Second, the statement that the retained approach aimed at ensuring fairness across duty stations is wrong.
- 27. This new salary adjustment procedure has, for the first time ever in the history of the EPO produced a systemic unequal treatment of staff in the different places of employment by not respecting the purchasing power parities (see par. 96-101). Over the six-year period DE has seen more severe capping than other places of employment creating lasting damage to the comparative purchasing power (see our comments on GCC/DOC 18/2025).

¹ CA/46/19, page 61 and page 119, CA/83/19, page 18, page 24, page 51, page 123 and page 129

² CA/18/20, par. 25

- 28. Third, the statement that the average salary growth only reached -0.2% *below* Eurozone inflation should be put in perspective with the fact that it is lower than the planned +0.2% above inflation, and a difference of -0.7% rather than the -0.3% predicted in the Financial Study 2019.
- 29. Fourth, the statement that "over twenty years period, and as forecasted in the Financial Study 2019, a reduction of long-term liabilities of EUR 2.0 billion by 2038 is expected" should be removed.
- 30. The report should be purely factual instead of repeating forecasts from previous documents using theoretical figures which bear no resemblance to the reality.
- 31. Further, this figure has the effect of making the factual figure of EUR 120 million saved in cash appear inconsequential.
- 32. The aim of a salary adjustment procedure is to preserve the level of benefits and not to increase them. This has clearly not happened as the Office's own figures show an evolution below price inflation.
- 33. Fifth, the statement that "the method allowed to regularly increase salaries and pensions by an average of 3.2%" is misleading and incomplete.
- 34. The draft budget always cites an expectation of 2.2% in salary growth. Quoting this figure of 3.2% alone may have the impact of suggesting the adjustment was relatively high.
- 35. To be complete, the summary should mention that the six-year cumulative applied adjustments, when compared to national inflation are: DE -4.2% below, NL -6.8% below and Austria -10.1% below.
- 36. Sixth, an example of challenges met in the implementation in missing in the summary. The aim of reducing the volatility³ was not achieved⁴.

In 2019, the baseline of the Financial Study of salary adjustments at inflation +0.5% did not reflect the reality and was overconservative

37. When designing the Financial Study 2019 for the purpose of finding a funding gap, Oliver Wyman & Mercer used as baseline for salary adjustments the long-term actuarial assumption of inflation +0.5%:

Baseline¹

Long-term actuarial assumption²: inflation + 0.5%

Rationale:

- Current annual salary adjustment of, on average, c. 0.5% points above inflation
- Medium parameter set to inflation to reflect increased cost of living

³ GCC/DOC 23/2025, par. 9

⁴ GCC/DOC 23/2025, par. 16 and 17

38. The long-term actuarial assumption came from the Actuarial Advisory Group (AAG) who explained how they came to this assumption in their 2019 report⁵.

"Between 1977, when the Office was established, and 31 December 2018, the average annual increase in the purchasing power of civil servants' salaries (the "specific indicator" defined in Chapter II, Article 3 of the Implementing Rule for Article 64 of the Service Regulations, which is granted in addition to the rate of inflation) has been calculated to be 0.38%, as shown below." (emphasis added)

- 39. Indeed, the specific indicator (SI) is the measure of wage inflation of civil servants net of price inflation, and therefore reflects the excess in salary increase over the evolution of prices goods and services (reflected by HICP national inflation multiplied by power of purchase parities)
- 40. The AAG considered that with an average of 0.38% since 1977 until 2018

"the assumption of a real rate of increase in the general level of salary scales of 0.5% p.a., used for the previous valuation calculations, continues to be appropriate, whilst appreciating that it seems to contain a small safety margin if considered over the long term".

- 41. The assumption of inflation +0.5% was therefore a conservative assumption used by the AAG for the purpose of calculating the contribution rates for the OPS and NPS pension systems.
- 42. In the Financial Study 2019, Oliver Wyman & Mercer used the overconservative assumption of the AAG for their calculations as if it reflected the reality, found a funding gap and then proposed a financial measure to limit the salary adjustments⁶:

"The current method based on Belgian inflation, the SI and PPP coefficients was designed to offer a stable and effective method over 30 years under the assumption that the average adjustment would be +0.5% above inflation. However, according to the 2019 Financial Study, the continuation of such trend at this level of regular increase is not sustainable and would aggravate the financial gap. Therefore the method needs to be adjusted."

43. The reform of the salary adjustment procedure was therefore based on a distortion by Oliver Wyman & Mercer of the AAG assumption.

In 2025, the assumption that the underlying methodology brings salary adjustments at inflation +0.5% proved to be wrong

44. Back in 2020, the proposal for reforming the salary adjustment procedure was justified by a short-term observation of the specific indicator SI:

⁵ CA/56/19, par 65 to 67

⁶ CA/19/20, par. 50

"In the last few years, the current salary adjustment method has resulted in wage increases above the EPO's long-term actuarial assumption of "inflation +0.5%". Levers for this development were above-average inflation levels in Belgium, a higher than expected SI development and increases in the purchasing power parity coefficients over the past years. In the light of the 2019 Financial Study, it is advisable, at this stage, to limit its growth."

- 45. Over the period 2013-2019, the geometric mean of the SI was at +0.8%⁷ However, this is entirely normal as periods of low national civil servants wage inflation is usually followed by a period of catchup and vice-versa. The results for 2020-2025⁸ show the change of trend as the geometric mean of the SI was at -0.4% and at -2.3% on a cumulative basis.
- 46. This confirms that the assumption on the evolution of the SI on which the 2020 reform was based was inaccurate.
- 47. In terms of salary adjustment procedure, one should have a look at a long-term evolution of the parameters instead of trying to change them based on recent outcomes.
- 48. The present document should provide an updated table on the evolution of the SI since 1977 with the latest figures as was done by the AAG in their 2019 report⁹. Here is the updated table with the 2019-2025 figures in blue:

	Annual	Cumulative
01-07-1977	1,000	1,000
01-07-1978	1,023	1,023
01-07-1979	1,024	1,048
01-07-1980	0,997	1,044
01-07-1981	0,982	1,026
01-07-1982	0,951	0,975
01-07-1983	0,988	0,964
01-07-1984	0,991	0,955
01-07-1985	0,991	0,946
01-07-1986	1,040	0,984
01-07-1987	1,012	0,996
01-07-1988	1,016	1,012
01-07-1989	1,025	1,037
01-07-1990	1,032	1,070
01-07-1991	1,005	1,076
01-07-1992	1,018	1,095
01-07-1993	0,993	1,088
01-07-1994	0,983	1,069
01-07-1995	1,000	1,069
01-07-1996	1,003	1,072

			Geometric
	Annual	Cumulative	mean
01-07-1998	1,003	1,087	
01-07-1999	1,015	1,104	
01-07-2000	0,999	1,103	
01-07-2001	1,028	1,133	
01-07-2002	1,017	1,153	
01-07-2003	1,017	1,172	
01-07-2004	0,991	1,162	
01-07-2005	1,000	1,162	
01-07-2006	1,002	1,164	
01-07-2007	0,997	1,161	
01-07-2008	0,998	1,158	
01-07-2009	1,031	1,194	
01-07-2010	0,988	1,180	
01-07-2011	0,985	1,162	
01-07-2012	0,992	1,153	
01-07-2013	0,984	1,134	
01-07-2014	1,017	1,154	
01-07-2015	1,011	1,166	
01-07-2016	1,018	1,187	
01-07-2017	1,000	1,187	

⁷ CA/19/20, par. 24 Table 1

⁸ GCC/DOC 23/2025, par. 18

⁹ CA/56/19, par 65 to 67

01-07-1997	1,011	1,084	01-07-2018	0,989	1,174	1,003831596
			01-07-2019	1,008	1,184	
			01-07-2020	1,016	1,203	
			01-07-2021	0,991	1,192	
			01-07-2022	0,961	1,145	
			01-07-2023	0,983	1,126	
			01-07-2024	1,026	1,155	
			01-07-2025	1,001	1,156	1,002966852

- 49. Over the period 1977-2018, the specific indicator was at 0.38% on average. When extending the observation over the period 1977-2025, **the specific indicator was at 0.29% on average**.
- 50. This means that the underlying methodology brings inflation +0.29% instead of the assumed inflation +0.5%, which is therefore wrong and overly conservative.

<u>From a wrong long-term assumption of inflation +0.5% to an implementation of a cap at Eurozone</u> inflation +0.2%

51. The Financial Study 2019 proposed to cover the alleged funding gap with "Measure 1: Adjust method for collection salary adjustment" 10:

Parameter value range											
Baseline ¹ Long-term actuarial assumption ² : inflation + 0.5%	Low	Medium	High								
	Inflation + 0.25% ³	Inflation ³	Inflation - 0.25% ³								

Rationale:

- Current annual salary adjustment of, on average, c. 0.5% points above inflation
- Medium parameter set to inflation to reflect increased cost of living
- 52. In the course of participating the Financial Bundle of measures in 2020, the Office opted for Measure 1 with the lowest parameter at inflation + 0.25% and later reduced the parameter to inflation + 0.2%.
- 53. This suggested that our salary adjustments would be reduced in the long-term by -0.3% compared to the underlying methodology.
- 54. However, for the final document submitted to the Council, PD4.3 defined the yearly implementation of Measure 1 on the basis of inflation = Eurozone inflation and with a capping mechanism at +0.2% above this value¹¹:

¹⁰ CA/83/19, page 123

¹¹ CA/18/20, par. 25

This is why the Office propose to adopt a new method for the coming six years, with a main difference compared to the current method which is to define a global cap (Eurozone inflation +0.2%) which will ensure a better control on the evolution of the salary mass and related expenses (emphasis added)

55. The present document recalls the Financial Bundles of measures and the reform of the salary adjustment as

"one of which was to contain salary increases to Eurozone inflation +0.2% instead of +0.5% spread" 12

- 56. This statement is misleading as it suggested that there was a cap in the past at Eurozone inflation +0.5% but this was never the case.
- 57. Until 2019, the Office carefully avoided any capping mechanism as cuts on salaries contravene ILOAT case law stating that the goal of making savings is not a valid reason for staff not to receive a proper salary adjustment:

"However, in the light of the Tribunal's case law as cited above, the goal of achieving savings does not in itself constitute a valid reason for depriving staff of a salary adjustment to which they are entitled." (Judgment 3324, cons. 20)

"In Judgment 1713 the Tribunal observed that a decision on local pay cannot "stand if, say, it overlooks or misconstrues some particular factor, or if some method is applied for the wilful contrivance of lower figures of local pay, or if corners are cut for the sake of saving time, but to the detriment of staff interests" (Judgment 4138, cons. 8)

- 58. Back in 2020, the staff representation repeatedly challenged the fact that a long-term assumption of salary evolution cannot be achieved with a capping mechanism comprising a (tight) upper bound without any lower bound. With such a capping mechanism, the average would inevitably drop below inflation as an inevitable mathematical consequence.
- 59. Other International Organisations use a corridor approach with a +2/-2% upper and lower bound to avoid the pitfalls of a capping mechanism. This was repeated by ISPR this year in the meeting of 13 October 2025.
- 60. When designing the new salary adjustment procedure, PD4.3 provided as sole simulation what would have been the impact of the new capping mechanism over the period 2013-2019¹³:

¹² GCC/DOC 23/2025, par. 7

¹³ CA/19/20, par. 57 and 58

Table 9: Annual adjustments by country with sustainability and redistribution clause (40% The Hague, 60% Munich)

Year of adjust.	ar redistr	ut Cap nd ibution a)	Weighted Average Salary	Eurozone HICP +0.2%	Proportional Reduction Factor (3/2)	With Cap and redistribution (b)		Redistrib. pool	Cumulated redistrib. pool
	DE	NL				DE	NL	Total EPO	Total EPO
2015	0.9%	1.5%	1.1%	0.7%	62%	0.6%	0.9%	0.4%	
2016	1.8%	3.7%	2.5%	0.2%	8%	0.1%	0.3%	2.3%	2.8%
2017	2.0%	2.0%	2.0%	1.5%	76%	1.5%	1.5%	0.5%	3.3%*
2018	3.5%	2.2%	3.0%	2.2%	74%	2.6%	1.7%	0.8%	
2019	3.2%	3.7%	3.4%	1.5%	44%	1.4% 1.6%		1.9%	2.7%

^{*} Payout after 3 years

- 61. From this table, it is clear that PD4.3 expected the capping mechanism to cut the underlying methodology every single year. PD4.3 had not provided any simulation on periods where the underlying methodology could fall below the cap, especially in times where the specific indicator has a negative impact on the underlying result.
- 62. The staff representation had warned against the effect of the capping mechanism in their opinion produced for GCC meeting of 6 May 2020¹⁴:

"The proposal, if applied to the prosperous past 6 years from 2014 to 2019, would have cut the salary scales by 7% or the equivalent of some 3 steps in the EPO salary grid, lagging the evolution of the cost of living in our places of employment by around 4%. It shows that the new salary adjustment method is constructed to systematically erode purchasing power mainly during expansive economic cycles and therefore does not even qualify as a salary adjustment procedure but as a salary erosion procedure with a huge negative effect also on the pensions."

[...]

"the intent [of the reform is to not only cap but also to make sure that the adjustments do not even reach the cap"

63. The results over the period 2019-2025 confirm the inevitable mathematical conclusion.

Over the period 2020-2025, salary adjustments remained at Eurozone inflation -0.2%

64. The document presents the impact of the 2020 reform as follows:

"The salary growth was kept -0.2% below Eurozone inflation as the method **behaved** as expected by capping salary increases" (emphasis added)

"After six years of operation, the average salary adjustment is -0.2% below Eurozone inflation (3.4%), and -0.4% below the sustainability cap (3.6%). This is explained by

¹⁴ Report on the GCC meeting of 6 May 2020 (sc20084cp)

¹⁵ GCC/DOC 23/2025, par. 12

the fact that the cap constitutes a maximum increase, not a guaranteed outcome: applied results in 2024 (with calculation date 01-07-2023) were -2% below inflation." (emphasis added)

- 65. It is surprising that PD4.3 writes in the document that the capping mechanism "behaved as expected" and brings as explanation that it did not provide a guaranteed outcome.
- 66. Back in 2020, PD4.3 had stated in the GCC meeting of 6 May 2020¹⁶ that:
 - On the other hand if the Office continued to present salary adjustment results that were disconnected with reality the risk was much bigger that the Council would order the Office to do something completely different to stop it e.g. Eurozone inflation with no add on
- 67. If PD4.3 considered at the time Eurozone inflation +0% as being something completely different from her proposed salary adjustment procedure, how can she today write that with an even lower result at Eurozone inflation -0.2% it "behaved as expected"?
- 68. This confirms that the authors of the GCC document proceed with bias rather than in a factual way.
- 69. In the same meeting in 2020, the President acting as Chairman and who had entrusted PD4.3 with the reform had confidently declared to the staff representation¹⁷:

The Chairman:

- Disagreed and stated that the Office's proposal gave 100% predictability on the results
- 70. The result is unforeseeably -0.4% below plan and constitutes a difference of -0.7% rather than the -0.3% predicted by the Financial Study 2019.
- 71. The capping mechanism is such that it prevents adjustments above the cap at Eurozone inflation +0.2%, and forbids possibility of catch-up outside of the fixed three-year periods.
- 72. Since 2021, the Actuarial Advisory Group (AAG) adopted for the calculation of the new contribution rates for the pension system a new assumption of salary adjustments at Eurozone inflation +0.2%¹⁸. The assumption is not only proven to be wrong but also unachievable in the future as the adjustments cannot go over the cap.
- 73. In this context, the staff representation is concerned by the repeated statements in the document "provided that the cap is maintained at the same level" and "as long as the cap is maintained at the same level". They suggest PD4.3 wants to deny the mistake and continue in the same direction instead of addressing the issues and correcting the mistake.

¹⁶ GCC/PV 03/2020, page 16

¹⁷ GCC/PV 03/2020, page 16

¹⁸ CA/51/25, par. 88

¹⁹ GCC/DOC 23/2025, par. 49

Loss of purchasing power

Comparison with local inflation

- 74. The result at Eurozone inflation -0.2% equates to the erosion of salaries of EPO staff, as shown in Table 10: Comparison of applied results and local inflation (national HICP)²⁰. However, Table 10 only features a yearly average without mention the cumulative loss.
- 75. This suggests that the authors of the document are trying to belittle the loss instead of factually reporting on it.
- 76. This is how the cumulative loss over 6 years looks like:

	DE		NL		AT		BE	
	Applied	HICP	Applied	HICP	Applied	HICP	Applied	HICP
2020	0,5%	0,8%	0,5%	1,7%	0,4%	1,1%	0,2%	0,2%
2021	0,0%	2,1%	0,0%	1,7%	0,0%	2,8%	0,0%	2,6%
2022	11,8%	8,2%	9,1%	9,9%	12,8%	8,7%	9,7%	10,5%
2023	2,7%	6,8%	4,6%	6,4%	3,4%	7,8%	0,0%	1,6%
2024	2,9%	2,5%	2,4%	3,4%	0,4%	3,1%	4,7%	5,4%
2025	1,2%	2,0%	3,7%	2,8%	1,6%	3,2%	3,8%	2,9%
Avg.	3,1%	3,7%	3,3%	4,3%	3,0%	4,4%	3,0%	3,8%
Cumul.	20,2%	24,3%	21,8%	28,6%	19,5%	29,6%	19,5%	25,2%
Diff.	-4,2%		-6,8%		-10,1%		-5,7%	

- 77. After six-years of application of the new salary adjustment procedure, AT is lagging -10.1 pp. behind national inflation, NL -6.8 pp behind, BE -5.7 pp behind and DE -4.2 pp.
- 78. All EPO staff suffered from a loss of purchasing power in all places of employment when considering national HICP as the reference.
- 79. The document provides a comparison with former methodologies²¹ and attempts to belittle the dramatic results by arguing that "any method may bring differential of purchasing power between countries, when compared to local inflation, because purchasing power parity coefficients are not directly linked to local inflation".
- 80. National inflation includes statistics related to elements such as student accommodation or social housing and is an average over a huge geographical area (especially for DE) and extremely diverse population.
- 81. In contrast, the underlying methodology uses purchasing power parities (PPPs) because they accurately reflect local developments and consider factors relevant to international civil servants.

²⁰ <u>GCC/DOC 23/2025, par. 40</u> ²¹ <u>GCC/DOC 23/2025, par. 41 and 42</u>

- 82. The underlying methodology is based on methods designed by statistical experts at the Eurostat and the OECD and can therefore be relied upon to be statistically relevant, accurately reflecting the requirements of a salary adjustment procedure. In contrast, the sustainability clause and the redistribution pool appear to have been designed with lack of knowledge of the true function of a salary adjustment procedure.
- 83. The impact on purchasing power can be correctly assessed by comparing the applied results to the costs of living in the places of employment.

Comparison with costs of living

- 84. The purchasing power parities (PPPs) are complex indices measuring the evolution of the cost of living at specific locations relative to Brussels: The Hague (for salaries in the Netherlands), Munich (for salaries in Germany), and Vienna (for salaries in Austria).²²
- 85. They are calculated by ISRP thanks to surveys on costs of goods and services organised among international civil servants in the precise places of employment of Munich, The Hague and Vienna. The reference for this parameter is considered to be Brussels which is indexed on national inflation (HICP) in Belgium.
- 86. The evolution of the costs of living in a place of employment can therefore be determined by multiplying national HCIP in Belgium by the evolution of the PPPs.
- 87. Table 3 of the document shows the evolution of the PPPs over the period 2020-2025²³. Such a table should have been put in perspective with the evolution of costs of living in places of employment as follows:

	DE			NL			AT		
		PPP	Costs of		PPP	Costs of		PPP	Costs of
	PPP	evol	living	PPP	evol	living	PPP	evol	living
	1,0957			1,0974			1,0536		
2020	1,1170	1,9%	2,15%	1,1190	2,0%	2,2%	1,0632	0,9%	1,1%
2021	1,1287	1,0%	3,67%	1,1008	-1,6%	0,9%	1,0855	2,1%	4,8%
2022	1,1205	-0,7%	9,70%	1,0947	-0,6%	9,9%	1,0848	-0,1%	10,4%
2023	1,1526	2,9%	4,51%	1,1467	4,8%	6,4%	1,1230	3,5%	5,2%
2024	1,1195	-2,9%	2,37%	1,1044	-3,7%	1,5%	1,0448	-7,0%	-1,9%
2025	1,1119	-0,7%	2,20%	1,1255	1,9%	4,9%	1,0603	1,5%	4,4%
Avg.			4,1%			4,3%			3,9%
Cumul.			27,0%			28,4%			26,0%

88. The comparison between the applied results and the costs of living reveals:

DE NL AT

²² CA/19/20, par. 19

²³ GCC/DOC 23/2025, par. 24

		Costs of		Costs of		Costs of
	Applied	living	Applied	living	Applied	living
2020	0,5%	2,1%	0,5%	2,2%	0,4%	1,1%
2021	0,0%	3,7%	0,0%	0,9%	0,0%	4,8%
2022	11,8%	9,7%	9,1%	9,9%	12,8%	10,4%
2023	2,7%	4,5%	4,6%	6,4%	3,4%	5,2%
2024	2,9%	2,4%	2,4%	1,5%	0,4%	-1,9%
2025	1,2%	2,2%	3,7%	4,9%	1,6%	4,4%
Avg.	3,1%	4,1%	3,3%	4,3%	3,0%	3,9%
Cumul.	20,2%	27,0%	21,8%	28,4%	19,5%	26,0%
Diff.	-6,9%		-6,6%		-6,5%	

89. After six-years of application of the new salary adjustment procedure, **DE is lagging -6.9 pp. behind** costs of living in Munich, NL -6.6 pp behind costs of living in The Hague, AT -6.5 pp behind costs of living in Vienna.

A broken promise

- 90. Both the comparison of the applied results with national inflation HICP and with costs of living in places of employment reveals a loss of purchasing power. The amount of the loss is unprecedented in the 40 years of application of a salary adjustment procedure.
- 91. In the <u>Communiqué</u> of 9 April 2020, the President had assured staff that with the reform of the EPO salary adjustment procedure

"[t]here is no desire to cut staff purchasing power or impose unnecessary savings" but "There is a desire, however, to [...] ensure salaries continue to grow, even above eurozone inflation".

92. PD4.3 did not design a salary adjustment procedure meeting these expectations and the promise made by (and to?) the President was broken.

Erosion of staff benefits

- 93. The salary adjustment procedure is used to adjust all staff benefits:
 - Dependent's allowance
 - Education allowance
 - Young child allowance
 - Birth grant
 - Language allowance
 - Removal expenses
 - Kilometric allowance
 - Daily subsistence allowance

- Young professional allowance
- 94. In addition to that, it is also used to adjust the pension of NPS and OPS pensioners and the social minima on pension, widow pension, orphan pension and household allowance.
- 95. The maximum NPS defined benefit pension, which is widely considered by NPS members to be so low as to create continued frustration and unrest, will also be subject to the lower than inflation adjustments, further exacerbating the issue.

Purchasing power parities not respected

- 96. As explained earlier, the purchasing power parities (PPPs) are indices measuring the evolution of the cost of living at specific locations relative to Brussels: The Hague (for salaries in the Netherlands), Munich (for salaries in Germany), and Vienna (for salaries in Austria).²⁴
- 97. The present document²⁵ explains that a purchasing power parity of 1.125 for DE while Belgium is at 1 as country of reference means that for 1.000 EUR needed in Brussels, 1.125 EUR is needed in DE to purchase the same basket of goods and services.
- 98. Whether purchasing power parities are respected or not can be derived from the ratio between the salary of G17(1) in a place of employment and the salary of G17(1) in BE²⁶ with the value of the PPP. The table below shows such a comparison.

	DE			NL			AT			BE
		Ratio			Ratio			Ratio		
	G17(1)	BE	PPP	G17(1)	BE	PPP	G17(1)	BE	PPP	G17(1)
2020	€17.290,75	1,0986	1,1170	€17.318,14	1,1003	1,119	€16.603,96	1,0549	1,0632	15.739,41
2021	€17.290,75	1,0986	1,1287	€17.318,14	1,1003	1,1008	€16.603,96	1,0549	1,0855	15.739,41
2022	€19.338,96	1,1205	1,1205	€18.893,68	1,0947	1,0947	€18.722,81	1,0848	1,0848	17.259,23
2023	€19.867,68	1,1511	1,1526	€19.765,98	1,1452	1,1467	€19.357,46	1,1216	1,123	17.259,23
2024	€20.449,47	1,1327	1,1195	€20.243,22	1,1213	1,1044	€19.426,13	1,0760	1,0448	18.053,40
2025	€20.697,26	1,1100	1,1119	€20.992,47	1,1259	1,1255	€19.743,61	1,0589	1,0603	18.645,47

- 99. The figures show that the PPPs were only respected in 2022 and violated in all other years.
- 100. The new salary adjustment procedure has, for the first time ever in the history of the EPO produced a systemic unequal treatment of staff in the different places of employment by not respecting the purchasing power parities.
- 101. In this respect, all the statements of the document on "fairness across duty stations" and "cross-site solidarity" are a misrepresentation of the situation. Distortion of the equality of purchasing power between places of employment cannot be reframed as "cross-site solidarity" in good faith. The

²⁴ CA/19/20, par. 19

²⁵ GCC/DOC 23/2025, par. 25

²⁶ GCC/DOC 18/2025, salary scales in Tables 1-4 at the end

decision of PD4.3 to include such a statement can only be explained by an attempt to mislead the reader.

Loss of parallelism

Comparison with national civil servants

102. The comparison between the applied results and the salary increases of national civil servants in the respective countries reveals:

	DE		NL	
	Applied	Civil servants	Applied	Civil servants
2020	0,5%	2,7%	0,5%	1,0%
2021	0,0%	1,4%	0,0%	1,2%
2022	11,8%	1,6%	9,1%	7,9%
2023	2,7%	0,7%	4,6%	4,2%
2024	2,9%	8,5%	2,4%	12,0%
2025	1,2%	3,1%	3,7%	-0,1%
Avg.	3,1%	3,0%	3,3%	4,3%
Cumul.	20,2%	19,2%	21,8%	28,6%
Diff.	1,0%		-6,8%	

- 103. After six-years of application of the new salary adjustment procedure, NL is lagging -6.8 pp. behind the evolution of national civil servants.
- 104. Concerning DE, the figures do not take into account that national civil servants are about to get a retroactive salary increase of 15% for 5 years (see press article). Once implemented, DE would also be lagging behind the evolution of national civil servants.
- 105. Furthermore, DE civil servants do not pay pension contributions.

Impact of the sustainability clause at Eurozone inflation +0.2%

- 106. The statement²⁷ "[o]n average, the impact of the sustainability clause is on average -0.5% per year compared to the uncapped underlying methodology" is misleading as it pretends that the impact on staff has been minimal.
- 107. First, if the former method was supposed to bring Eurozone inflation +0.5%, then a yearly impact of -0.5% would bring adjustments to Eurozone inflation. This is not the case as the result is at Eurozone inflation -0.2%.

²⁷ GCC/DOC 23/2025, par. 39

- 108. Second, this statement does not take into account of the real loss of purchasing power staff suffered in the years 2021 (+0.5%) and 2022 (0.0%) as the catch-up was not applied retroactively via a lump-sum.
- 109. The present situation and the assumptions for the future are portrayed as if they had been applied throughout the past although this was never the case.
- 110. A comparison is made between the applied result and the underlying methodology in Table 9 of the document.²⁸
- 111. First, the Table 9 makes no mention of the change of application date of the results of the method from 1 July to 1 January. No compensation was applied. This resulted in an additional 6 months loss of adjustment for staff which is not accounted for here.
- 112. Second, the underlying result is not represented correctly for the years 2021 and 2022. The absence of breakdown 2021 and 2022 is misleading as the 2022 result contains 4 elements of the methodology: carry-over 2020, carry-over 2021, non-applied adjustment 2021 due to exception clause and the 2022 result.
- 113. The document itself acknowledges²⁹ that the underlying methodology "is based on scale of reference with Belgium, the specific indicator and PPP coefficients" but provides Table 9 fails to be consistent with this definition.

Comparison with underlying methodology

114. The comparison should be adequately reflected as follows:

	DE		NL			AT			BE	
	Applied	Underlying	Applied	Underlying	g	Applied	Underlying	វ	Applied	Underlying
2020	0,5%	3,8%	0,5%	3,8%		0,4%	2,7%		0,2%	1,8%
2021	0,0%	2,7%	0,0%	0,0%		0,0%	3,8%		0,0%	1,7%
2022	11,8%	5,4%	9,1%	5,6%		12,8%	6,1%		9,7%	6,2%
2023	2,7%	2,7%	4,6%	4,6%		3,4%	3,4%		0,0%	-0,1%
2024	2,9%	5,0%	2,4%	4,2%		0,4%	0,6%		4,7%	8,1%
2025	1,2%	2,3%	3,7%	5,0%		1,6%	4,5%		3,8%	3,0%
Avg.	3,1%	3,7%	3,3%	3,8%		3,0%	3,5%		3,0%	3,4%
Cumul.	20,2%	24,1%	21,8%	25,4%		19,5%	23,1%		19,5%	22,3%
Diff.	-3,9%		-3,6%			-3,6%			-2,8%	

115. Showing the breakdown shows that the underlying methodology would produce more consistent and less volatile results than the current salary adjustment procedure. Reducing volatility of the results was one the aims of the reform of 2020³⁰.

²⁸ GCC/DOC 23/2025, par. 39

²⁹ GCC/DOC 23/2025, par. 48

³⁰ GCC/DOC 23/2025, par. 9

- 116. Finally, there is no assessment in the document of the real impact on the liabilities of the difference between the applied (capped) result with shift of application and the underlying methodology.
- 117. The difference between the two is a huge difference to carry forward, much bigger than the -0.3% (deriving from Eurozone inflation +0.5% vs Eurozone inflation +0.2%) which was supposed to equate to 2B€ in savings.
- 118. EPO staff was promised this salary adjustment procedure would not hurt much but the excess loss is permanent and will not be recovered.

Below all benchmark with International Organisations

Comparison with Coordinated Organisations (COs)

119. A comparison with the COs reveals:

	DE		NL		AT	
	Applied	COs	Applied	COs	Applied	COs
2020	0,5%	4,2%	0,5%	4,2%	0,4%	3,1%
2021	0,0%	3,8%	0,0%	1,8%	0,0%	2,9%
2022	11,8%	7,5%	9,1%	7,7%	12,8%	6,9%
2023	2,7%	3,5%	4,6%	3,1%	3,4%	4,4%
2024	2,9%	2,7%	2,4%	3,6%	0,4%	0,0%
2025	1,2%	2,9%	3,7%	3,7%	1,6%	4,1%
Avg.	3,1%	4,1%	3,3%	4,0%	3,0%	3,5%
Cumul.	20,2%	27,2%	21,8%	26,5%	19,5%	23,3%
Diff.	-7,0%		-4,8%		-3,8%	

120. After six-years of application of the new salary adjustment procedure, **DE** is lagging -7.0 pp. behind the evolution of salaries in the COs, NL -4.8% behind and AT -3.8% behind.

Comparison with the European Union (EU) institutions

- 121. At the time of drafting the present comments, the document is still missing the EU figures for the year 2025.
- 122. The figures are however available online for some time and we would have expected PD4.3 to update the report accordingly for the purpose of completeness. We have retrieved the figures and annexed them as provided in **Appendix 1**
- 123. A comparison with the EU institutions reveals:

	DE		NL		AT		
	Applied	EU inst.	Applied	EU inst.		Applied	EU inst.
2020	0,5%	4,0%	0,5%	2,9%		0,4%	2,5%

2021	0,0%	1,4%	0,0%	-0,3%	0,0%	3,4%
2022	11,8%	5,9%	9,1%	5,5%	12,8%	6,2%
2023	2,7%	5,5%	4,6%	7,1%	3,4%	5,7%
2024	2,9%	6,4%	2,4%	5,5%	0,4%	2,1%
2025	1,2%	2,0%	3,7%	4,7%	1,6%	4,2%
Avg.	3,1%	4,2%	3,3%	4,2%	3,0%	4,0%
Cumul.	20,2%	27,9%	21,8%	28,0%	19,5%	26,6%
Diff.	-7,7%		-6,3%		-7,1%	

- 124. After six-years of application of the new salary adjustment procedure, AT is lagging -7.1 pp. behind the evolution of salaries in the EU institutions, NL -6.3% behind and DE -7.7% behind.
- 125. In the meeting of 17 October 2025, Compensation and Benefits presented "high-level" slides on the outcome of the review. To this date, no copy of the slides is still available to the staff representation.

The EPO future: a third class International Organisation?

- 126. Over the last six years, the EPO has been consistently behind comparable organisations with similar remuneration strategy. The cumulative figures for lower adjustments as compared to other International Organisations do not take into account the full loss of purchasing power happening on an annual basis as described above.
- 127. Nearly 50.000 international staff are paid according to the EU salary adjustment (including all EU agencies and other Internationally Organisations which automatically take over the EU results). Why then should the EPO salaries not be adjusted in the same way? All these other International Organisations obviously consider this level of adjustment to be appropriate. The EU has just confirmed their methodology despite the financial pressures resulting from Brexit (the loss of a net contributor).
- 128. When showing the slides comprising the comparisons with the COs and the EU, **PD4.3 expressed** her satisfaction that salary increases of EPO staff are lagging behind those of all other International Organisations because "salaries at the EPO are higher than in other IOs".
- 129. PD4.3 did not substantiate her statement with any other evidence. No comparison of roles was offered nor any other information on how such a conclusion was arrived at. We are concerned that she still intends to implement a policy of net decrease of salaries of EPO staff instead of trying to repair the broken promises of the President.

Addition aspects of the 2020 reform

Abolition of double counting

130. The mechanism of double counting avoided that increases in the contributions to social schemes are counted twice, thereby affecting the principle of parallelism with the salary evolution of national civil servants. It is an important mechanism since contributions to social security, pensions,

healthcare insurance and long-term care-insurance in the EPO have increased a lot recently. Removing this long-standing fairness mechanism demonstrates the intent to not only cap but also to make sure that the adjustments do not even reach the cap.

- 131. Double counting was not performed by EPO employees themselves but by the International Service for Remuneration and Pensions (ISRP).
- 132. The document fails to make an impact assessment of the suppression of double counting. It does not even mention it.

Shift of pay-out from July to January

- 133. The 2020 reform introduced a shift of pay-out from July to January. This was done in the past in the Coordinated Organisations (COOs). Nevertheless, a delay in paying an adjustment must be properly compensated.
- 134. In the Coordinated Organisations this delay was compensated by a one-off increase of the scales. Instead the Office decided "to pay out as a compensatory lump sum the adjustment that would have resulted from the application of the new method as from 1 July 2020, in proportion to the basic salaries, pensions and allowances received over that period."
- 135. The scales as from 1 January 2021 do not comprise the adjustment over the 6 months from 1 July 2020 to 1 January 2021. This adjustment will therefore be missing for ever, leading to a permanent cut in salaries and (future) pensions, constituting a hidden financial measure to the detriment of staff and pensioners.
- 136. The document fails to make an impact assessment of the shift of payout on the adjustment and the long-term liabilities. It does not even mention it.

Abolition of retroactivity

- 137. Retroactivity allowed to take into account retroactive adjustments made to national civil servants in the EPO calculations for the next year.
- 138. If this mechanism were still in place, the calculation of the specific indicator (SI) would have benefited of the **retroactive salary increase of 15% for 5 years** of national civil servants in Germany. Once implemented, DE would also be lagging behind the evolution of national civil servants.
- 139. The document fails to make an impact assessment of the suppression of retroactivity. It does not even mention it.

Litigation

- 140. The present document notes³¹ that "[t]he two main litigation points are the sustainability clause and the non-application to pensioners of the periodical settlement."
- 141. It should be noted that the amendments to the salary adjustment procedure introduced in 2020 consist (almost) exclusively of the sustainability clause and the periodical settlement. On this point, we agree entirely with PD4.3 that there is no aspect of the method introduced in 2020 that was unproblematic and was not legally challenged.
- 142. The amount of litigation against the application of this salary adjustment procedure exceeds all former salary adjustment procedures put together.
- 143. Interestingly, the document also omits to mention that the Appeals Committee (ApC) issued a **unanimous positive opinion in favour of staff** on the litigation points³² and found that:
 - the periodical settlement clause under Article 10(1) Impl. Rule Article 64 ServRegs violates Article 33(2) (c) of the EPC and Article 36 of the OPenRegs,
 - the application of Article 9(1) and (3) of the Impl.R. Art. 64 ServRegs (Sustainability Clause) in 2021 violated the principle of purchasing power parity and thus the underlying general principle of equal treatment,
 - and unanimously recommended that the Sustainability Clause should thus be deemed invalid.
- 144. This omission confirms that the report creates bias rather than being factual.

Conclusion

145. At the time of the reform in 2020, the staff representation expressed the opinion that:

"The Office already has the worst career system of any International Organisation. It will now also have the worst salary adjustment method." 33

- 146. The results over the six-year period confirm our analysis.
- 147. The salary adjustment procedure of the EPO is an industrial accident with long-term consequences for staff.
- 148. It is time to repair the damages caused.

The CSC members in the GCC

³¹ GCC/DOC 23/2025, par. 55

³² RI/20214/054-0191, RI/2021/054-0373 (active staff) and RI/2021/055-0038, RI/2021/055-0089 (pensioners)

³³ Report on the GCC meeting of 6 May 2020 (sc20084cp)

Appendix 1

EU adjustments for 2025

Table 5.1: Annual update outside Brussels for the twelve months to 1st July 2025 (for staff)

	Country	Global specific	Implicit price	Annual	
P	lace of employment	indicator	index	update	
BE/LU	Brussels/Luxembourg	0.5	2.5	3.0	
BG	Sofia	0.5	4.7	5.2	
CZ	Prague	0.5	1.1	1.6	
DK	Copenhagen	0.5	3.1	3.6	
DE	Berlin	0.5	3.0	3.5	
	Munich	0.5	1.5	2.0	
EE	Tallinn	0.5	4.3	4.8	
IE	Dublin	0.5	2.5	3.0	
EL	Athens	0.5	3.7	4.2	
ES	Madrid	0.5	2.6	3.1	
FR	Paris	0.5	2.0	2.5	
HR	Zagreb	0.5	5.0	5.5	
IT	Rome	0.5	2.3	2.8	
	Varese	0.5	2.5	3.0	
CY	Nicosia	0.5	2.0	2.5	
LV	Riga	0.5	2.7	3.2	
LT	Vilnius	0.5	3.3	3.8	
HU	Budapest	0.5	4.3	4.8	
MT	Valletta	0.5	3.2	3.7	
NL	The Hague	0.5	4.2	4.7	
AT	Vienna	0.5	3.7	4.2	
PL	Warsaw	0.5	5.1	5.6	
PT	Lisbon	0.5	2.8	3.3	
RO	Bucharest	0.5	5.8	6.3	
SI	Ljubljana	0.5	3.3	3.8	
SK	Bratislava	0.5	3.6	4.1	
FI	Helsinki	0.5	1.5	2.0	
SE	Stockholm	0.5	2.1	2.6	

Subject: GCC SSPR - Review of the salary adjustment methodology

Location: Microsoft Teams Meeting; VICO_MUC_MI_767

Start:Fri 17-10-2025 09:30End:Fri 17-10-2025 11:30

Recurrence: (none)

Meeting Status: Accepted

Organizer: Compensation and Benefits

Required Attendees: Duarte Nuno Semedo Leite; Irene Domínguez; Elodie Bergot; Edoardo D'Attilia;

Derek Kelly; Rhiannon Mitchell-Thomas; Jean-François Vaccaro; Henry-Miles van der Heyden; Spela Hrovatic; Sebastian Kluth; Thomas Franchitti; Fausto Ciotta; Imanol

Cominges; Michael Sampels

Optional Attendees: Social Dialogue; Konstantinos Kortsaris; Vincent Kos; Nicolas Kopp; Maria Arranz

Gomez

Resources: VICO_MUC_MI_767

Dear colleagues,

Dear members of the Sub-committee of the GCC on SSPR,

You are hereby invited to a meeting of the sub-committee of the GCC on Social Security, Pensions and Remuneration (SSPR) to discuss review of the salary adjustment procedure.

We would be grateful if you could confirm your attendance to this meeting. If you are not able to participate, please indicate which alternate will deputize you.

Thank you.

Best regards / Mit freundlichen Grüßen / Sincères salutations

Dir. 431 Compensation & Benefits

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Total organization in the string options | nesset distribution

Subject: GCC SSPR - Review of the salary adjustment methodology

Location: Microsoft Teams Meeting

Start:Wed 22-10-2025 09:00End:Wed 22-10-2025 12:00

Show Time As: Tentative

Recurrence: (none)

Meeting Status: Tentatively accepted

Organizer: Compensation and Benefits

Required Attendees: Irene Domínguez; Elodie Bergot; Jean-François Vaccaro; Henry-Miles van der

Heyden; Spela Hrovatic; Duarte Nuno Semedo Leite; Sebastian Kluth; Edoardo D'Attilia; Thomas Franchitti; Derek Kelly; Fausto Ciotta; Rhiannon Mitchell-Thomas;

Imanol Cominges; Michael Sampels

Optional Attendees: Social Dialogue; Konstantinos Kortsaris; Vincent Kos; Nicolas Kopp

Dear colleagues,

Dear members of the Sub-committee of the GCC on SSPR,

You are hereby invited to a meeting of the sub-committee of the GCC on Social Security, Pensions and Remuneration (SSPR) to discuss review of the salary adjustment procedure.

We would be grateful if you could confirm your attendance to this meeting. If you are not able to participate, please indicate which alternate will deputize you.

Thank you.

Best regards / Mit freundlichen Grüßen / Sincères salutations

Dir. 431 Compensation & Benefits

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From: Rhiannon Mitchell-Thomas

Sent: 17 October 2025 12:34

To: Compensation and Benefits

Cc: Thomas Franchitti; Derek Kelly; Fausto Ciotta; Imanol Cominges; Michael Sampels;

Social Dialogue

Subject: Additional information regarding the review of the SAP

Dear compensation and benefits team,

After our meeting this morning, as requested, please find below the written request for additional info to be provided.

- Table of the annual SI values over the 6 year period (CA 19/20 para 31)
- Table of the annual PPP values for the 4 sites over the 6 year period (CA 19/20 para 28)
- Table of annual BE, DE, NL, AT HICP (CA 19/20 para 26)
- Inclusion of Austria and Belgium for all of the slides (not exclusively DE and NL)
- In the tables in slide 7, 8, 9, and 10, please include the cumulative difference between the EU and CO vs EPO, in addition to the average difference over the period 2021-2026
- Ranking in "local media" of the EPO alongside the trend as observed since the last SAP review in 2019, specifying the sources (CA 19/20 para 44)

With kind regards

Rhiannon Mitchell-Thomas
On behalf of the Staff Representatives in the GCC-SSPR sub-committee

Annex 4

From: Rhiannon Mitchell-Thomas
Sent: 22 October 2025 10:23
To: Social Dialogue

To: Social Dialogue

Cc: Compensation and Benefits; Fausto Ciotta; Thomas Franchitti; Imanol Cominges;

Derek Kelly; Michael Sampels

Subject: Request for document to be provided prior to rescheduled meeting

Dear colleagues,

We were invited to a second meeting in our role as members of the GCC-SSPR on the review of the salary adjustment methodology on Wednesday 22nd October 2025, scheduled for 9:00-12:00. We had been told prior to the meeting that the purpose of this meeting was to discuss a draft of the CA document on the topic, and that we would receive the document prior to the meeting. However, we did not receive the draft document prior to the meeting.

During the meeting, the Compensation and Benefits team shared the document on the screen. When we requested to be sent the document via email, so that we could control the position of the text, define the size of the text, etc, we were told that the Compensation and Benefits team had not been given clearance to share the document with us via email. We further requested to a member of the Social Dialogue team and Senior Advisor to the President's Office present in the meeting if he could take some time to obtain clearance to share the document with us via email, but he declined and said it was not possible.

Due to the unnecessary restrictions and difficulties imposed on the Staff Representatives regarding meaningful consultation on the document, the Staff Representatives present were compelled to leave the meeting, with a request to reschedule at such a time when the document was cleared, under the usual confidentiality conditions.

As a consequence, we request to be provided with the document as soon as possible, such that a meeting can take place prior to the GCC deadline, Friday 31st October 2025.

Rhiannon Mitchell-Thomas

On behalf of the Staff Representation members of the sub-committee of the GCC-SSPR

From: centralstcom

Sent: 22 October 2025 10:47

To: DL-CSC; Isabelle Brandt; Helmut Höller

Subject: FW: Note of protest concerning the meeting with PD4.3 today

Fyi, KR, Derek

From: centralstcom

Sent: 22 October 2025 10:46

Cc: Elodie Bergot <ebergot@epo.org>

Subject: Note of protest concerning the meeting with PD4.3 today

Dear Mr President,

We wish to express our strong protest concerning the format of a meeting with PD 4.3 that we have just attended and had no choice but to leave. The review of the SAP for the last six years as to be presented to the AC was scheduled for discussion, yet it was made available to us only through on-screen sharing during the meeting. This arrangement made it impossible for us to review the document properly, to follow its structure in a meaningful way, or to formulate our comments with the care and precision such a matter requires. The constant jumping between sections on the screen further hindered a coherent discussion.

We are fully willing - and indeed consider it important for the Office - to provide our comments on this document. However, the current format prevents us from doing so effectively. We therefore urge that the document be made available to us in a form that allows proper examination and comment, and that future meetings avoid such restrictive and cumbersome procedures.

We remain committed to constructive dialogue and cooperation, but me must insist that our working methods ensure transparency and genuine exchange of views.

We are aware that we may not formally have the right to see a draft of a report on the SAP to the AC alongside the official consultation in the GCC, but this does not mean that we have to accept replacing normal meetings involving proper preparation with rather absurd forms of meetings, which prevents an effective and constructive way of cooperating.

Derek Kelly

Chair of the Central Staff Committee.



European Patent Office | 80298 MUNICH | GERMANY

Mr Derek Kelly Chair of the Central Staff Committee

Via email only: centralstcom@epo.org

European Patent Office 80298 Munich Germany

Office address Bob-van-Benthem-Platz 1 80469 Munich Germany

epo.org

The President

Tel. +49 (0)89 2399 - 1000 president@epo.org

Date: 23.10.2025

Your email dated 22 October

Dear Chair,

With reference to your email dated 22 October, the Office would like to take this opportunity to clarify the timeline for the discussions with the staff representatives on the review of the salary adjustment method foreseen under Article 12 (1) Implementing Rules to Article 64 of the Service Regulations.

The report in question is a factual review of the salary adjustment method over the period 2021-2026. It does not change the conditions of employment of the staff and does not contain any recommendations. Despite this, the Office has decided as you know to publish it in the GCC library already on 31 October. This to allow you 1 additional week to study and prepare on the final draft.

Furthermore, with a view to offer you even more time to prepare, it set two technical meetings. On 17 October you received a high-level presentation of the main findings and on 22 October you were invited to discuss in even more detail a draft in progress.

We regret your decision to end this meeting prematurely and that the Office's efforts at transparency and good faith were not recognised.

The document will be shared accordingly on 31 October.

Yours sincerely,

António Campinos